

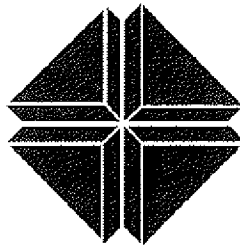
**PX-0226**

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*Response to Request for Proposal*

# **Blount Memorial Hospital**



**Request For Proposal**

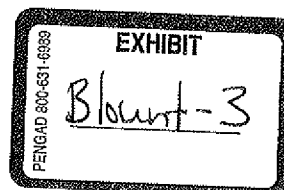
**for a**

**Enterprise Resource Planning Solution**

**(Accounting, Material Management, & Human  
Resources)**

January 25, 2007

Jeff Goldman  
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March 15, 2007

Jason Mashburn  
 Director, Information Systems  
 Blount Memorial Hospital  
 907 E. Lamar Alexander Parkway  
 Maryville, TN 37804

Dear Jason,

Thank you for the opportunity to respond to your Request for Proposal. We recognize the effort that goes into selecting a business partner that aligns with your business strategy and vision. You want to work with a company that is a leader in the industry, understands the unique challenges in healthcare, maintains a strong, long-term commitment to meeting information technology needs in the healthcare industry and has a proven ability to deliver meaningful results in healthcare environments. We look forward to sharing with you why, on all of those factors and more, Lawson is best positioned to become your partner for ERP solutions. Key reasons for Healthcare organizations selecting Lawson include:

- **Lawson is the proven leader in the healthcare market** – Lawson is the proven leader in delivering business applications for healthcare providers, with more than 500 healthcare client organizations representing more than 4,500 facilities including 8 of the top 10 largest integrated delivery networks. In a Gartner, Inc. study published in December 2005, Lawson is the leading provider of ERP software applications to U.S. healthcare provider organizations among full ERP suite vendors. We know the business of healthcare better than any other solution provider, which is why industry leaders such as Banner Health and Catholic Healthcare West, use Lawson business applications with proven results.
- **Lawson is strongly committed to the healthcare market** – Our commitment to serving the healthcare market is evident in healthcare-specific products that extend the value of our core applications, such as Lawson Mobile Supply Chain Management, Lawson Grant Management and Lawson Performance Management for Healthcare applications. Lawson is strongly committed to continue delivering solutions specifically for healthcare providers.
- **Lowest Total Cost of Ownership** – Historically, Lawson has fallen into the lowest total-cost-of-ownership category in studies completed by industry analysts. In a recent Aberdeen Group report, Lawson was recognized as having a significantly lower total cost of ownership when compared to other companies including PeopleSoft, SAP, and Oracle. It is no surprise: Lawson delivers out-of-the-box healthcare functionality vs. our competition's more complicated applications which require a high degree of customization and ongoing high maintenance costs.
- **Fastest Time to Value** – Lawson Professional Services has a reputation for being a trusted advisor with our customers, with consultants that have broad, deep knowledge of the healthcare industry. These consultants understand the critical business issues facing hospitals because we hire only experienced professionals that have numerous years of healthcare experience. They leverage their own experience and the best practices developed through our over 400 implementations to ensure our business systems deliver the benefits our clients need and expect. All of this is designed to provide you with a high quality implementation that provides a timely return on your investment while increasing customer participation, independence, and ownership throughout and following the project engagement.
- **Return on Investment** – Lawson has a solid track record of delivering valuable outcomes and the business results our clients want. There are many examples of how the Lawson applications have helped our clients improve their margins and increase operational efficiencies. For example, in December 2005, ComputerWorld ran a cover story about Catholic Healthcare West's move from SAP to Lawson, highlighting the projected 144% ROI and the already realized savings of several million dollars.

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We welcome the opportunity to present Lawson ERP solutions specifically developed for Healthcare to Blount Memorial in the following RFP response. We look forward to sharing with you our record of delivering outcomes that matter to our over 500 healthcare provider clients.

Thank you for your interest in Lawson Software. Please contact me with any additional questions you may have.

Sincerely,

*Jeff Goldman*

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Lawson has used reasonable efforts to accurately respond to your RFP in a timely manner. However, our interpretation of your stated requirements may differ from your intended definition of a particular requirement or process. Because of such differing interpretations, this Proposal response is not part of the contract that may result from your RFP. Lawson views this response solely as a tool to aid your decision to select a software vendor.

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Jason Mashburn  
Director, Information Systems  
Blount Memorial Hospital  
907 E Lamar Alexander Parkway  
Maryville, TN 37804

Lawson is pleased to respond to the Blount Memorial Hospital RFP dated January 25, 2007 for an Enterprise Resource Planning Solution (Accounting, Material Management, and Human Resources). As summarized below and described in the detailed response, Lawson has the proven healthcare products and services to meet the stated needs of Blount Memorial Hospital, both near and long term. Through Lawson's flexible yet robust functionality, back office functions and procedures at Blount will see improved access to dynamic views of your business operations that will help the entire enterprise run more effectively. By successfully integrating to numerous clinical and non-Lawson systems vendors, the Lawson ERP Suite has become an industry leading solution that meets the needs of health systems just like Blount Memorial.

## **Executive Summary**

### **About Lawson**

Lawson delivers enterprise software solutions developed and designed to serve the specialized needs of service industries. We at Lawson have chosen to focus our energies on providing world-class applications focused on four vertical markets. The Healthcare, Public Sector, Retail, and Financial Services markets rely on our systems to automate and integrate their critical business processes and to facilitate collaboration among partners, suppliers and employees.

Since our beginnings in 1975, Lawson has been committed to using advanced technologies to solve our customers' real business problems and give them a competitive advantage. Our technology focus delivers a solid foundation for all our solutions. This includes a commitment to open systems, flexible architecture, analytics and web-addressable applications. Our commitment to leveraging advanced technologies is matched by our proven stability - we still serve our very first customer, H. Brooks & Company.

### **Technology**

Lawson has been committed to open systems from the very beginning, believing an applications provider must offer choices for business strategy development to be a valued business partner. To that end, Lawson has structured its powerful solution as an object-based, repository-driven, multi-tier architecture providing maximum flexibility in hardware, database, and user interface. Lawson applications run across all major platforms, providing a single, enterprise-wide solution.

### **Lawson Healthcare Business Unit**

The entire Lawson healthcare business unit is staffed from development through sales and implementation with experts totally dedicated to the healthcare industry. Healthcare product development is based on business requirements validated by both industry analysts and lead adopters within our customer base. The Lawson healthcare vertical is committed to expanding into new margin-impacting hospital and healthcare system business processes.

### **Lawson Healthcare Statement of Value**

Lawson delivers healthcare business applications which help healthcare provider organizations achieve margin-impacting operational improvements, freeing resources to invest in patient care. Lawson provides solutions for the healthcare industry to:

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- Support end-to-end business operations allowing greater visibility into and control of the business in the following areas
  - Human Resources – optimizing the hire-to-terminate business process
  - Supply Chain Management – optimizing the source-to-settlement and replenish-to-use business processes
  - Financial Management – optimizing the budget-to-close business processes
  - Business Intelligence – optimizing information access and distribution
- Automate routine administrative functions to allow your staff to concentrate on other tasks and strategic opportunities
- Integrate all operational areas of a hospital and increase the efficiency within a single hospital as well as across multiple facilities

### Healthcare Focus – Lawson's Healthcare Market Share

Lawson serves over 500 healthcare organizations, representing over 4,500 facilities.

### Large Healthcare Systems

- 8 of the top 10 largest IDNs by net patient revenue<sup>1</sup>
- 6 of the top 10 largest Catholic healthcare systems by acute-care beds<sup>2</sup>

### Our Nation's Best Hospitals

- 8 of the top 14 hospitals profiled in "America's Best Hospitals" Ranking
- More than one-third of the major teaching hospitals represented in the Solucient "100 Top Hospitals" study

### Healthcare Systems Driving IT Innovation

- One-third of healthcare's 100 "Most Wired" Hospitals<sup>3</sup>
- 9 of the 19 healthcare systems listed in the Information Week 500

### Integrated Delivery Networks

- 32% of U.S. integrated healthcare delivery systems<sup>4</sup>
- 8 of the top 15 integrated healthcare networks as listed in the Verispan "IHN 100."

### Lawson Solutions For Healthcare

Lawson healthcare solutions power financials, human resources, supply chain management including mobile supply chain, and enterprise performance management designed to help you address the specific needs of healthcare.

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<sup>1</sup> Modern Healthcare ranking

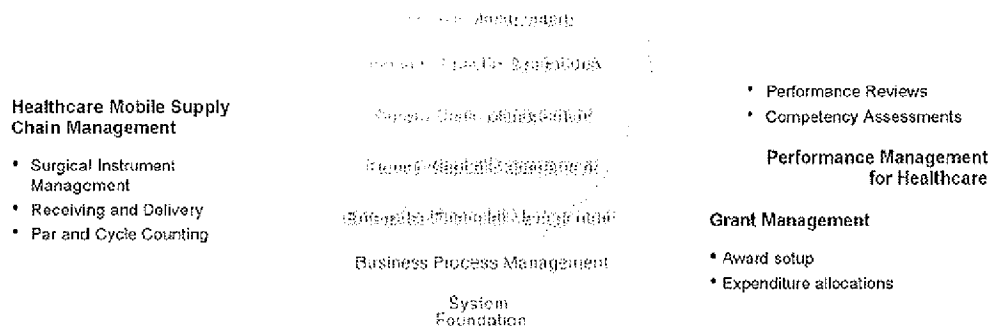
<sup>2</sup> Modern Healthcare ranking

<sup>3</sup> Hospital and Health Networks

<sup>4</sup> HIMSS Analytics

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### Implementation Approach

With 28 years of implementation experience, Lawson solutions are fast and easy to implement, allowing customers to benefit by improved financial performance and a rapid return on investment. Lawson is designed to help you operate efficiently while leveraging and protecting your investment in existing technology and infrastructure.

We at Lawson have a services organization dedicated to implementing our solutions for our healthcare clients. We also have a number of certified partners who could provide implementation consulting services.

We at Lawson work with each client and partner to develop an implementation plan that will meet their business needs. Each client has unique services needs including: time frames for implementing applications, desired benefits new systems will deliver, phasing of applications, conversion and interface needs just to name a few.

As we continue through the selection process with Blount Memorial we welcome the opportunity to have an implementation survey which will allow us to develop an implementation plan customized to meet all of Blount's needs.

### Summary

We know the business of healthcare and welcome the opportunity to present Lawson's ERP solution to Blount Memorial Hospital. Again, thank you for your consideration.

I will be your primary contact, and am an authorized representative of Lawson.

Best Regards,

*Jeff Goldman*

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| Functional Requirements |  |                 |                |        |               |
|-------------------------|--|-----------------|----------------|--------|---------------|
| #                       | Requirement  | Current Release | Future Release | Custom | Not Available |
| 6.                      | Supports Electronic Shipping Advice (856)  | Y               |                |        |               |
| 7.                      | Supports Electronic Invoices (ANSI 810)  | Y               |                |        |               |
| 8.                      | Provides auto faxing capabilities for vendors that are not EDI enabled   | Y               |                |        |               |
| 9.                      | Supports entity specific communication that allows EDI and Fax requests to be distributed to multiple servers for large health systems                                       | Y               |                |        |               |
| 10.                     | Offers Web-based service that allows non-EDI capable vendors/trading partners to be 100% EDI capable   | Y               |                |        |               |
| 11.                     | Streamlines daily workflow through exceptions-based discrepancy viewers that identify and display only the inconsistent data so problems can be immediately addressed        | Y               |                |        |               |
| IX.                     | E-commerce Capabilities  |                 |                |        |               |
| 1.                      | Provides web-enabled requisitioning, allowing requisitioning to be extended to any department that has web browser access  | Y               |                |        |               |
| 2.                      | Browses suppliers' web catalog for ordering and for items not in the item master   | Y               |                |        |               |
| 3.                      | Provides supplier connectivity for checking prices and availability for off-catalog purchases.   | Y               |                |        |               |
| 4.                      | Manages price catalogs, purchase orders, PO confirmations and invoice transactions   | Y               |                |        |               |
| 5.                      | Provides a data warehouse consisting of reporting tools that provide enterprise-wide spending analysis, off-catalog purchase details and off-contract purchasing information | Y               |                |        |               |
| A.                      | Contract and Rebate Management   |                 |                |        |               |
| 1.                      | Automates the bidding process  | Y               |                |        |               |

| Functional Requirements |                                    |                 |                |        |               |
|-------------------------|------------------------------------|-----------------|----------------|--------|---------------|
| #                       | Requirement                        | Current Release | Future Release | Custom | Not Available |
| 2.                      | Requisition List Template          | Y               |                |        |               |
| 3.                      | Standard Purchasing Reports        | Y               |                |        |               |
| 4.                      | Bid Detail                         | Y               |                |        |               |
| 5.                      | Bid Request                        | Y               |                |        |               |
| 6.                      | Blanket Order                      | Y               |                |        |               |
| 7.                      | Commodity Code List                | Y               |                |        |               |
| 8.                      | Contract Detail                    | Y               |                |        |               |
| 9.                      | Cost Center List                   | Y               |                |        |               |
| 10.                     | Diskette Mailing Labels            | Y               |                |        |               |
| 11.                     | Diskette Return Labels             | Y               |                |        |               |
| 12.                     | Hazardous Product Code List        | Y               |                |        |               |
| 13.                     | Item Update                        | Y               |                |        |               |
| 14.                     | Manufacturer Vendor Mailing Labels | Y               |                |        |               |
| 15.                     | PO Copy                            | Y               |                |        |               |
| 16.                     | PO Detail by Cost Center           | Y               |                |        |               |
| 17.                     | PO Detail with Tax                 | Y               |                |        |               |
| 18.                     | PO Vendor Copy                     | Y               |                |        |               |
| 19.                     | Purchase Order Detail              | Y               |                |        |               |
| 20.                     | Purchasing Item Master Catalog     | Y               |                |        |               |
| 21.                     | Requisitioned Items                | Y               |                |        |               |
| H.                      | Standard Invoice Matching Reports  |                 |                |        |               |
| 1.                      | Accrued Tax by Cost Center         | Y               |                |        |               |
| 2.                      | Accrued Tax by Vendor              | Y               |                |        |               |
| 3.                      | Freight Cost                       | Y               |                |        |               |
| 4.                      | Invoice Activity Statistics        | Y               |                |        |               |

**Blount Memorial Hospital  
Request for Proposal**

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